



THE STATE OF GREEN BUSINESS 2012

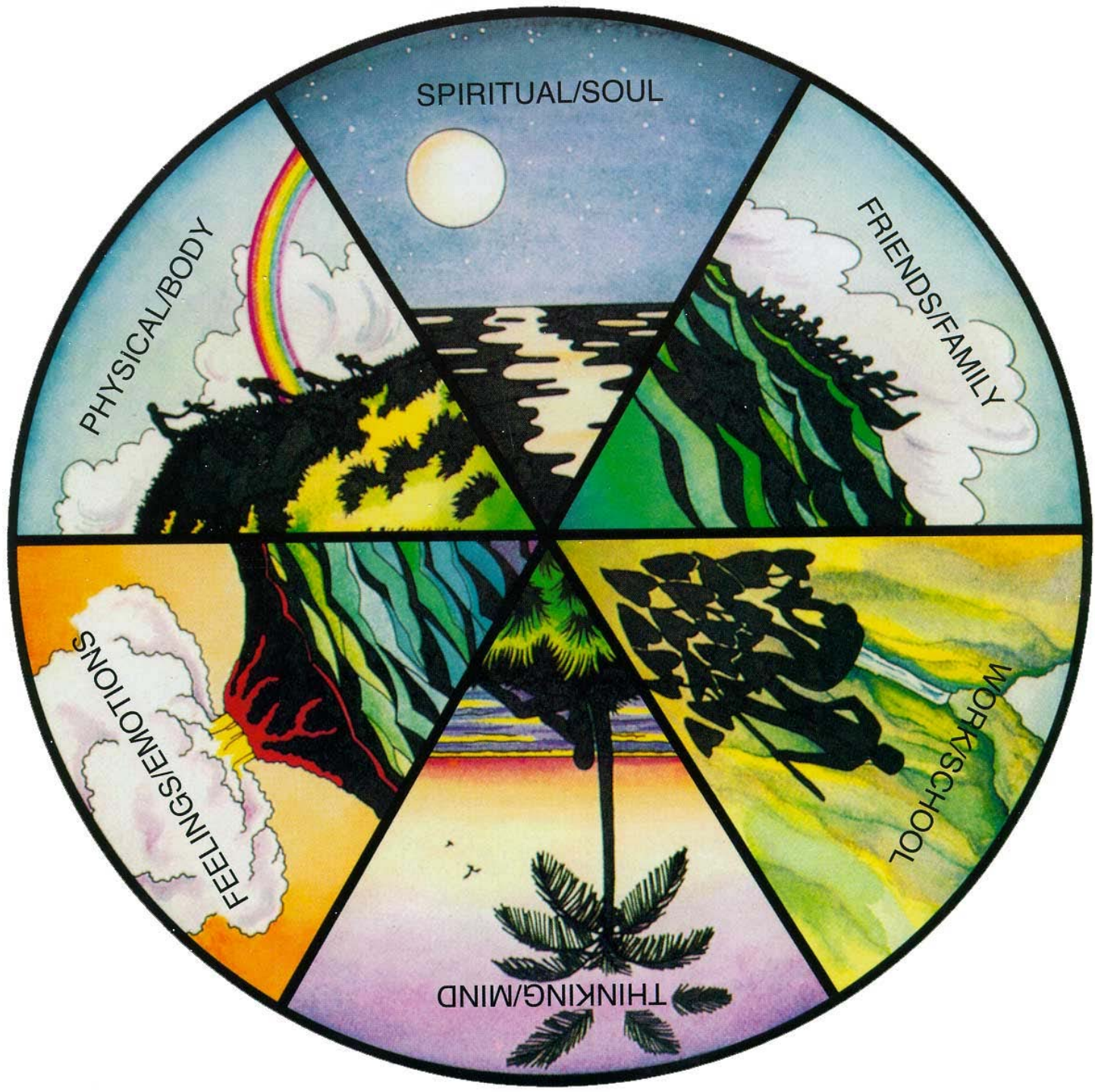
Michael Kramer

Accredited Investment Fiduciary®

Managing Partner, Director of Social Research

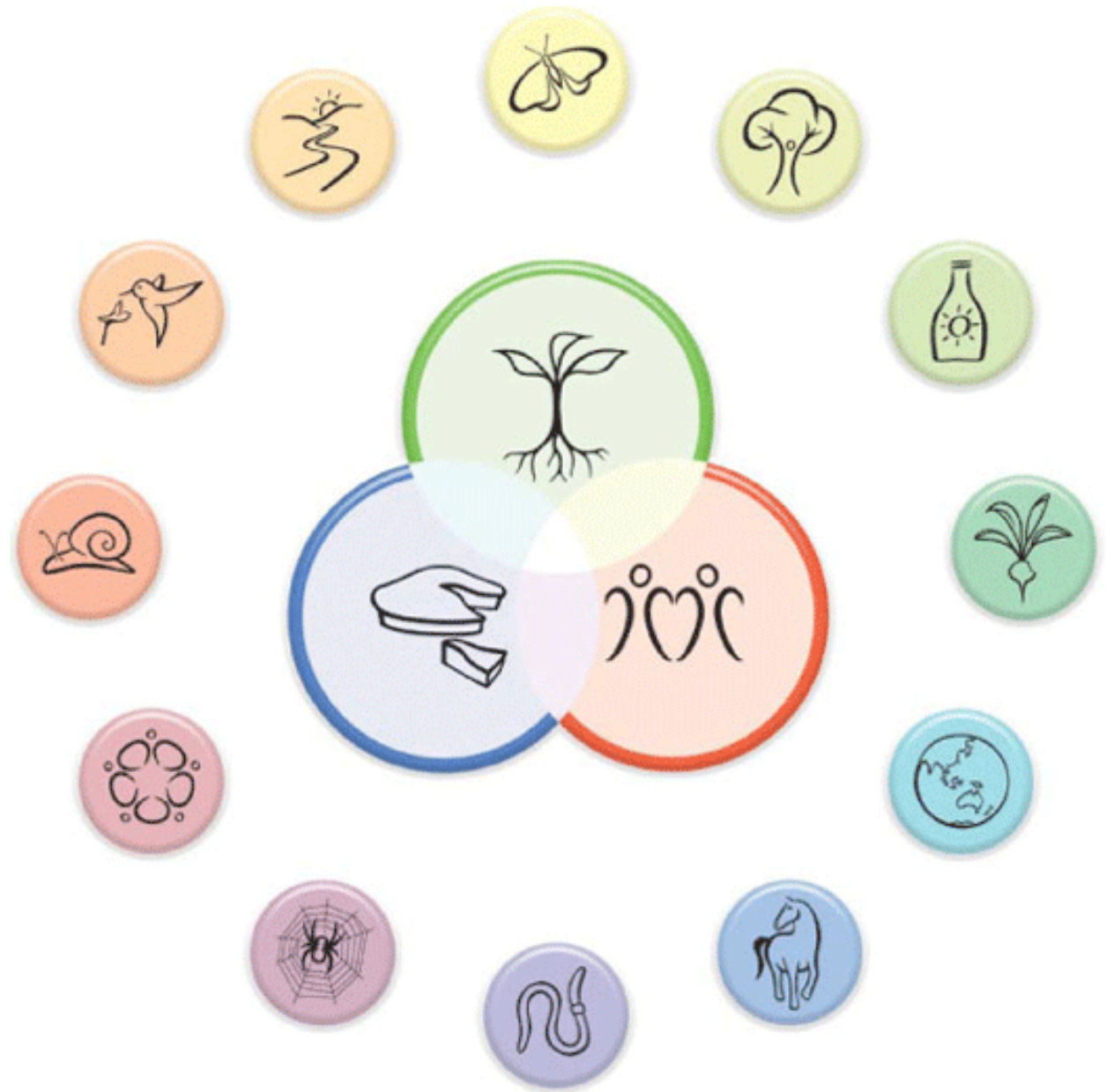


NATURAL
INVESTMENTS LLC



ETHICAL IMPERATIVES

- Care for people
- Care for Earth
- Limit needs and reinvest surplus
- Eliminate substances extracted from the Earth's crust, chemicals we produce that can't biodegrade,
- Stop degradation and destruction of nature and natural processes
- Allow people to meet their basic human needs



CATEGORIES OF RESOURCES

Degenerative



Generative



Regenerative



MONEY HAS NO INTRINSIC VALUE

- It only reflects the meaning we give it
- All money invests in something
- We can always choose to use it to care (or not)



HOW CAN BUSINESS THINK *LIKE NATURE?*

- **Conserve Resources**
- **Maximize Cycles (no waste)**
- **Design to Enhance Relationships**
- **Act to Regenerate the Human Spirit and the Natural Environment, Not Exploit or Consume it**

REGENERATIVE CAPITAL

- Integrates financial benefits, social impact, and environmental wisdom to assure maximum impact toward a regenerative way of life for all people and forms of life forever



Sound investments
for a prosperous planet

THE EMERGING GREEN ECONOMY

- **Affordable Housing**
- **Clean Transportation**
- **Community Development**
- **Disaster Recovery**
- **Education**
- **Energy Conservation**
- **Environmental Cleanup**
- **Healthy Lifestyles**
- **Homeopathic/Natural Medicine**
- **Natural/Organic Foods**
- **Poverty Alleviation**
- **Progressive Workplace**
- **Renewable Energy**
- **Recycling**
- **Sustainable Agriculture**
- **Tree Substitutes**

GREEN SECTOR TRENDS

- Replacements for toxics and chemicals
- Hyper-efficient equipment
- Non-petroleum fuels
- Eco-apparel
- Preventative and holistic healthcare
- Bioremediation and biological waste treatment
- Supply chain analyses
- Energy, water, land conservation
- Bioplastics
- Items with meaning (heirloom, artisanal, varietal)
- Microfinance
- Local food and economy

STATE OF GREEN BUSINESS 2012

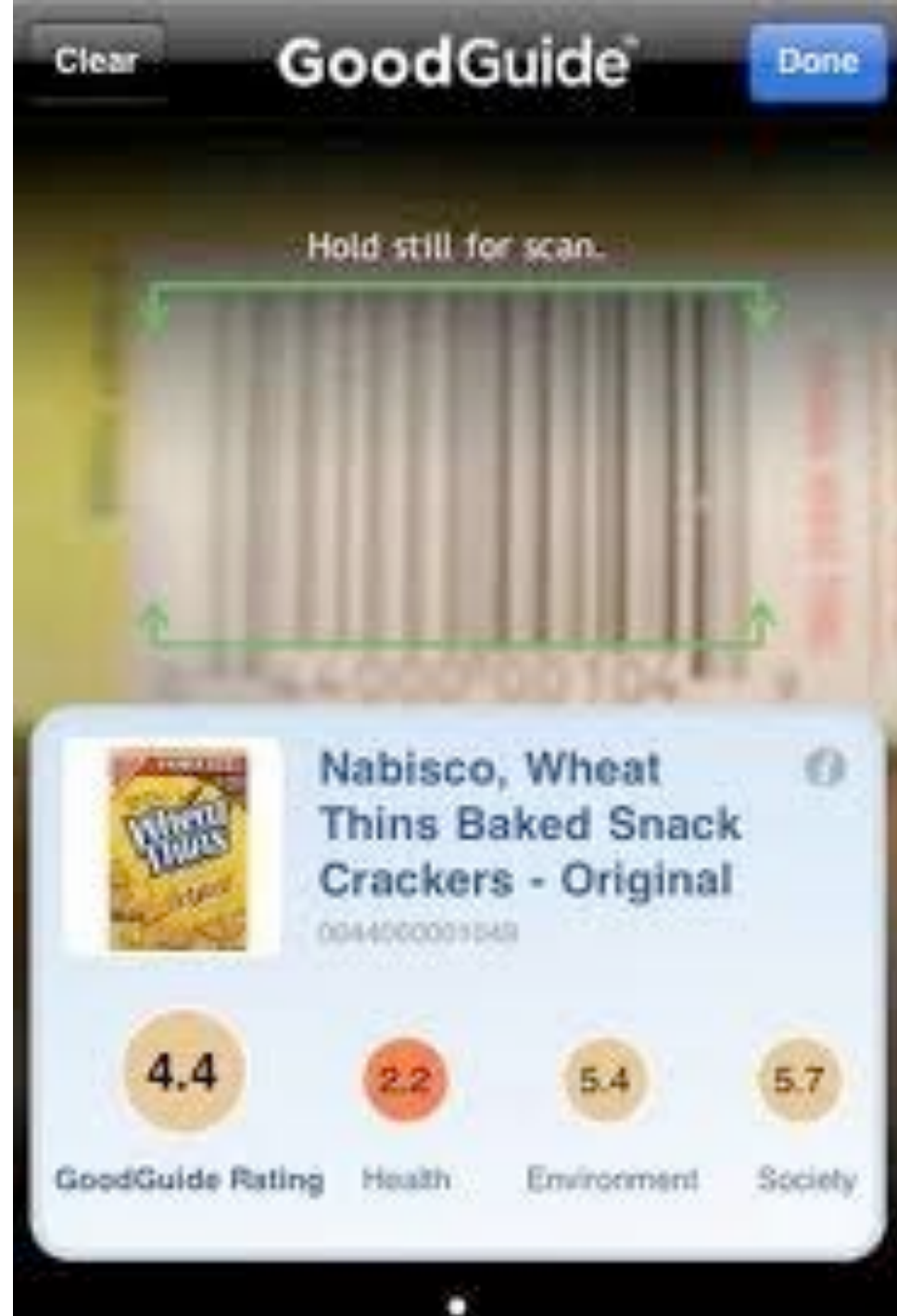
- ◆ Slowdown + energy prices = green practices
- ◆ Financial motivations to go green: cutting costs, mitigating risks, generating revenue, driving innovation, and improving employee development and retention incentive green business
- ◆ Conventional investors see green as risk mitigation
- ◆ Affordability of renewables
- ◆ Emissions are now defined as business inefficiency
- ◆ Water availability breeds efficiencies
- ◆ Gamification to incentivize behavioral change
- ◆ Sustainable cities

STATE OF GREEN BUSINESS 2012

- ◆ Reusables (selling used clothing online - Patagonia)
- ◆ Recyclables/compostables in new sectors - apparel (Nike, Puma), buy-back programs (Best Buy)
- ◆ Mesh companies focused on sharing services vs. owning products (car sharing and hourly rentals, extend box life, find food/office space)
- ◆ Sustainable mobility
- ◆ History!: power plants operating on solar, wind, and biomass energy garnered more investment than those powered by natural gas, oil, and coal
- ◆ More and greener green buildings
- ◆ Slow Money for Slow Food
- ◆ Carbon monitoring and disclosure

THE SOCIALLY RESPONSIBLE, GREEN, TRIPLE-BOTTOM-LINE BENEFIT BUSINESS







NATURAL
INVESTMENTS LLC

GREENMONEY[™]
JOURNAL

FROM THE STOCKMARKET TO THE SUPERMARKET



Ecological Stewardship

- **Low carbon & energy/water operations**
- **Non-toxic & reusable waste stream**
- **Green buildings & fleets**
- **Organic food, GMO-free, & natural fibers**
- **Nondisposables & biodegradables**
- **Not tested on animals & humane treatment**
- **Minimal and/or recycled packaging**
- **Recycled, recyclable, sustainably harvested**
- **Accept used items for reuse/recycling**
- **Local procurement**

COMMUNITY RELATIONS

- **Screen suppliers by ethical criteria**
- **Charitable contributions, volunteer, sponsor community events**
- **Cultural preservation and/or sensitivity**
- **Leadership in sector to adopt socially and environmentally sound practices**
- **Fair trade products**
- **Local purchasing and sales**
- **Employee incentives to serve**

CUSTOMER RELATIONS

Incentives/initiatives for outstanding service:

- Customer satisfaction feedback mechanism**
- After sale/service customer follow-up**
- Customer accounts with monthly billing**
- Frequent purchaser/user discount**
- *Kama`aina* discount**
- Free pick-up or delivery**
- Incentives for referring customers**
- No-interest payment plans**
- Sliding income scale pricing structure**

EMPLOYEE RELATIONS

- **Investment in employee education/ training**
- **Livable wages and benefits packages**
- **Leave and vacation policies; flex-time**
- **Working conditions**
- **Incentives to serve community**
- **Wellness program**
- **Commitment to diversity in promotion**
- **Involvement in decision-making**
- **Worker rights policy**

WHAT IMPACTS FINANCIAL PERFORMANCE?

- **Supply chain awareness and management**
- **Risk management affects bottom line**
- **Working conditions; employee morale**
- **Customer satisfaction**
- **Health and safety of products and production**
- **New revenue opportunities**

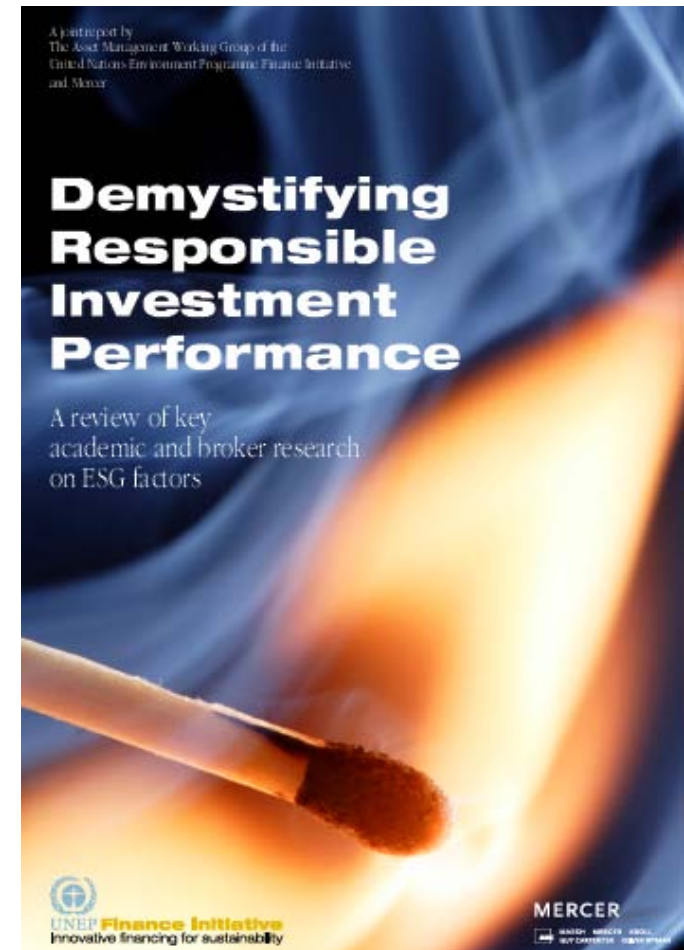
RESEARCH ON FINANCIAL PERFORMANCE

U.N. Report:

www.unepfi.org

30 studies

27 studies show positive or neutral correlation of environmental, social, and governance factors to financial performance



HAWAII'S SUSTAINABLE BUSINESS CORPORATION

- Act 209, 2011
- Operate for benefit of multiple stakeholders
 - community, environment, employees
- Qualify via third party standard
- Benefits director & annual report
- One of 10 states legislation
- Tax incentives someday? Philly
- IRS designation someday?



sahawaii.org

GREEN BUSINESS PROGRAMS & ASSOCIATIONS



HAWAI`I GREEN BIZ WEB DIRECTORIES



Green Business Hawaii

facebook



green
hawaii
.com

*The online venue for and by the community concerned with sustainability.
Promoting the efforts of individuals, businesses and organizations
contributing to a healthy environment, society and economy.*

"working together towards a sustainable tomorrow.."





- Started in 2000 with Hotels & Resorts
 - Water Conservation; Energy Conservation; Waste Reduction & Pollution Prevention; Indoor Air Quality
 - Moana Surfrider, Fairmont Kea Lani, Grand Wailea, Hilton Hawaiian Village
 - Hawaii Volcanoes National Park, U.S. Postal Service
 - Swinterton Builders Hawaii, Belt Collins, East-West Center
- New Sectors: Restaurants, Office, Retail
 - Town, Central Pacific Plaza, Sustainable Island Products, Whole Foods Maui, Honeywell Utility Solutions, PBR Hawaii



- Started in 2005, first all-sector recognition program addressing triple bottom line:
 - **Ownership & Management**
 - **Operations & Purchasing**
 - **Production or Service-Delivery**
 - **Decision-making**
 - **Employment**
 - **Distribution**
 - **Community involvement**





Mālama Kaua'i

Green Business Program

◆ Retail, Food & Ag,
Ecotourism, Health & Wellness,
Local, Education

◆ Office/Retail & Restaurant
checklists

◆ Reducing waste and
pollution, environmentally
preferred/local purchasing,
water conservation and
recycling

◆ iPhone/iPad app



COMMON GROUND

KAUAI



GreenCarHawaii

WAIPĀ

A FEW HAWAI'I GREEN BUSINESSES



HAWAI`I IMPACT INVESTMENTS



- Renewable energy and biofuels
- Clean tech and energy efficiency
- Healthy lifestyle products
- Conscious media
- Organic foods and fibers
- Biomedicine





SUSTAINABILITY

ASSOCIATION OF HAWAII

- “The Voice of Green Business”
- 100s of business/organizations representing Hawaii green business programs
- Education, consultants, advocacy, annual award
 - Sustainable Business Corporation law
 - “Understanding Procurement”, April 26



Food, Energy, Green Building

Independent Retail

Waste Recovery

Community Capital





Kanu Hawaii





GREEN SCHOOLS

*Promoting & encouraging
energy neutral schools*

3rd Hawaii Green Schools Symposium

Thanks to everyone who made this event a success!

To see all the highlights

 [CLICK HERE](#)



kōkua hawai'i foundation



HAWAI'I CHAPTER
U.S. GREEN BUILDING COUNCIL

GREEN WORKFORCE DEVELOPMENT



Department of Labor and Industrial Relations

Assessment identified
11,000 people employed
in 200 types of green jobs:

- *Construction*
- *Professional services*
- *Waste*
- *Remediation*

Directory of Green Employers

\$6 Million State Job Training Grant

Projected 3000 new green jobs by end of 2012 in energy, conservation, recycling, pollution reduction, manufacturing



R.I.S.E.

Rewarding Internships for Sustainable Employment

- Paid internship program for college students and recent graduates in Hawaii
 - DBEDT
 - Kupu Hawaii
 - UH Community College System
- Job training
- Sustainability seminar series

SOCIAL NETWORKS



CARROT MOB
H A W A I I

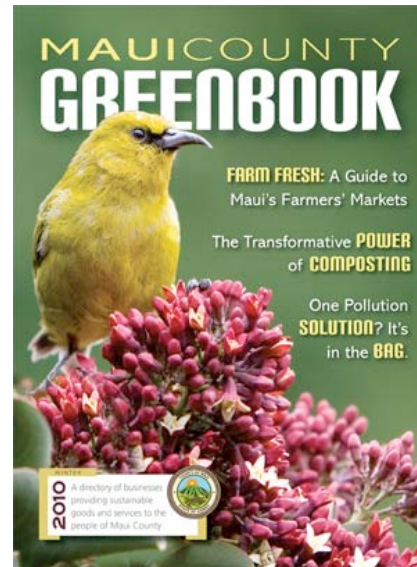


WOMEN IN RENEWABLE ENERGY



Green Collar
Change Agents

GREEN BUSINESS MEDIA



GREEN BUSINESS CONSULTANTS

sustainableinitiatives



Maui Venture
CONSULTING LLC



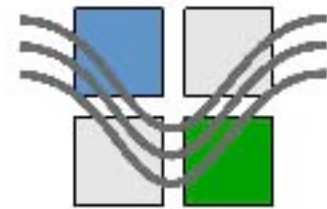
GBO Group



kya **sustainability** studio
catalysts for ecollaboration



Sustainable Design & Consulting LLC



CASCO PACIFIC LLC



HTDC-MEP

HIGH TECHNOLOGY DEVELOPMENT CORPORATION
MANUFACTURING EXTENSION PARTNERSHIP



GBO HAWAI'I

GREEN ECONOMY BOARD GAME



As impact investors, players can invest in properties like geothermal plants, farmer's markets and green home builders.

CATALYSTS



sustainableUH
live. connect. create.



SUSTAINABLE



HPU

*Aloha
Startups*



blue planet
FOUNDATION



FINANCING



Kahuku Federal
Credit Union



Hau'OLI MAU LOA
FOUNDATION



HAWAII STRATEGIC DEVELOPMENT CORPORATION

Investing in Hawaii's Future



BIO-LOGICAL CAPITAL

Social investment (for-profit
& non-profit):

- Renewable Energy
- Locally Produced Food
- Waste Reduction

Sustainable Agriculture
Renewable Energy
Water Stewardship
Ecotourism
Ecosystem Services

THE HAWAII LOCAL EXCHANGE

- Direct Public Offerings
- Report to 2012 legislature delivered
- Federal “crowdfunding” bill (HR 2930), would allow individuals to invest up to \$10k in local businesses seeking no more than \$5 mil
- Otherwise, for accredited investors only

hilocalexchange.org

